

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF HARRISON COUNTY)	
R.E.C.C. OF CYNTHIANA, KENTUCKY)	
FOR THE ESTABLISHMENT OF A LARGE)	CASE NO. 89-021
POWER RATE)	

O R D E R

IT IS ORDERED that Harrison County Rural Electric Cooperative Corporation ("Harrison County") shall file the original and 12 copies of the following information with this Commission. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. The information requested herein is due no later than May 12, 1989. If the information cannot be provided by this date, Harrison County should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

1. East Kentucky Power Cooperative ("EKPC") charges each of its member distribution cooperatives, including Harrison County, a monthly charge of \$1,069 per load center. Harrison County is proposing a monthly consumer charge of \$40.16 for large power users. Given that the individual load of any one of these large power users could represent all or most of the load of the load

center from which it is served, explain how Harrison County will recover the difference between what it pays EKPC in load center charges and what it receives from large power users in customer charges.

2. Explain the methodology used to calculate the \$40.16 consumer charge.

3. Provide a detailed explanation of Harrison County's rationale for developing a declining two-block large power energy rate. This explanation should include a discussion of the criteria used to select 425 kwh per KW as the minimum usage required to qualify for the lower rate.

4. Does Harrison County's proposed declining block energy rate reflect decreasing costs of serving higher load factor customers? Explain.

5. Explain the methodology which Harrison County used to calculate the 10-mill and 2-mill adders to EKPC's wholesale energy charge as incorporated into the proposed energy rate. Provide all workpapers pertaining to these calculations.

6. Has Harrison County conducted a cost-of-service study in its determination of the proposed rates? If yes, provide a copy of this study. If no, explain why a cost-of-service study has not been used in determining these rates.

Done at Frankfort, Kentucky, this 28th day of April, 1989.

PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director


For the Commission